



1997 SENATE BILL 67

February 12, 1997 – Introduced by Senators BRESKE, GEORGE, ZIEN, WIRCH, SCHULTZ, GROBSCHMIDT, JAUCH, BURKE and DRZEWIECKI, cosponsored by Representatives HANDRICK, LORGE, RYBA, UNDERHEIM, GOETSCH, GROTHMAN, HASENOHRL, F. LASEE, URBAN, SPRINGER, VANDER LOOP, DOBYNS, KREUSER, SCHNEIDER, TRAVIS, GUNDERSON and KELSO. Referred to Joint survey committee on Tax Exemptions.

1 **AN ACT to amend** 77.51 (4) (c) 6., 77.52 (2) (a) 1. and 77.54 (30) (d) of the statutes;
2 **relating to:** exempting the sales of flex-time time-share property from the
3 sales tax.

Analysis by the Legislative Reference Bureau

Time shares in property are sold on either a fixed-time basis (the time of occupancy and the unit are specified at the time of the sale) or a flex-time basis (the time of occupancy and the unit are subject to availability and to making a reservation). Fixed-time transactions, like conveyances of real property, are exempt from the sales tax. Flex-time transactions, like rentals of hotel and motel rooms, are subject to the sales tax. This bill exempts flex-time transactions from the sales tax.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

4 **SECTION 1.** 77.51 (4) (c) 6. of the statutes is amended to read:
5 77.51 (4) (c) 6. Charges associated with time-share property that is taxable
6 under s. 77.52 (2) (a) ~~1.~~ or 2.

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1 **SECTION 2.** 77.52 (2) (a) 1. of the statutes is amended to read:

2 77.52 (2) (a) 1. The furnishing of rooms or lodging to transients by hotelkeepers,
3 motel operators and other persons furnishing accommodations that are available to
4 the public, irrespective of whether membership is required for use of the
5 accommodations, not including the furnishing of rooms or lodging through the sale
6 of a time-share property, as defined in s. 707.02 (32), ~~if the use of the rooms or lodging~~
7 ~~is not fixed at the time of sale as to the starting day or the lodging unit.~~ In this
8 subdivision, “transient” means any person residing for a continuous period of less
9 than one month in a hotel, motel or other furnished accommodations available to the
10 public. In this subdivision, “hotel” or “motel” means a building or group of buildings
11 in which the public may obtain accommodations for a consideration, including,
12 without limitation, such establishments as inns, motels, tourist homes, tourist
13 houses or courts, lodging houses, rooming houses, summer camps, apartment hotels,
14 resort lodges and cabins and any other building or group of buildings in which
15 accommodations are available to the public, except accommodations, including
16 mobile homes as defined in s. 66.058 (1) (d), rented for a continuous period of more
17 than one month and accommodations furnished by any hospitals, sanatoriums, or
18 nursing homes, or by corporations or associations organized and operated
19 exclusively for religious, charitable or educational purposes provided that no part of
20 the net earnings of such corporations and associations inures to the benefit of any
21 private shareholder or individual.

22 **SECTION 3.** 77.54 (30) (d) of the statutes is amended to read:

23 77.54 (30) (d) In this subsection “residential use” means use in a structure or
24 portion of a structure which is a person’s permanent residence, but does not include
25 use in transient accommodations, as specified in s. 77.52 (2) (a) 1.; time-share

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1 property, as defined in s. 707.02 (32); motor homes; or travel trailers or other
2 recreational vehicles.

3 **SECTION 4. Effective date.**

4 (1) This act takes effect on the first day of the 2nd month beginning after
5 publication.

6 (END)